

**UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF UTAH**

UNITED STATES OF AMERICA, and

**Petitioner**

**V.**

MISTY COVINGTON

**Respondent.**

**Civil Action No.**

## DECLARATION

**YVONNE POULSEN declares:**

1. I am over 18 years of age, of sound mind, capable of making this declaration and personally acquainted with the facts stated in it.
2. I am a duly commissioned revenue officer employed in the Small Business/Self-Employed Division Western Compliance Area of the Internal Revenue Service at 50 South 200 East, M/S 5112-SLC, Salt Lake City, UT 84111.
3. In my capacity as a revenue officer I am conducting an investigation for the collection of tax liability of George C. Squire, Jr. and Nancy Squire for the calendar years ended: December 31, 1996, December 31, 1997, December 31, 1998, December 31, 1999, December 31, 2001, December 31, 2002 and December 31, 2003.
4. In the course of my investigation, I determined that Mr. and Mrs. Squire established the IAM Holdings Trust and may have contributed property to the trust with the intent to defeat the United States' attempts to collect taxes.
5. My investigation revealed that Misty Covington is the trustee of the IAM Holdings Trust.

6. As part of my investigation, I am now seeking information, including testimony and documentation, from Ms. Covington regarding the Squires, IAM Holdings Trust, and the assets of IAM Holdings Trust.

7. In furtherance of the above investigation and in accordance with Section 7602 of Title 26, U.S.C., I issued on February 7, 2013, an administrative summons, Internal Revenue Service Form 2039, to Misty Covington. This summons required Ms. Covington to appear at my office on February 26, 2013, and to provide testimony and produce records regarding Mr. and Mrs. Squire and IAM Holdings Trust. The summons is attached to this Declaration as Exhibit A.

8. In accordance with Section 7603 of Title 26, U.S.C., on February 11, 2013, I served an attested copy of the Internal Revenue Service summons described in paragraph 7 above on Misty Covington by leaving a copy at her last and usual place of abode, as evidenced in the certificate of service on the reverse side of the summons.

9. On February 12, 2013, I received a phone call from Misty Covington. She stated that she received the summons, but she would be out of the country from February 22 through March 11, 2013. Misty Covington refused to provide information pertaining to Mr. and Mrs. Squire and IAM Holdings Trust over the phone. However, she said she would be available at her home on February 21, 2013, at 1:30 p.m.

10. On February 21, 2013, I made a field visit to Misty Covington's place of abode, but nobody answered the door. A calling card was left on her door requesting a call back by February 25, 2013. No phone call was received from her.

11. On February 26, 2013, Misty Covington did not appear in response to summons.

12. On March 12, 2013, Craig Ashford, an attorney for the Office of Chief Counsel for the Internal Revenue Service, mailed a last-chance letter to Misty Covington requesting she meet with me on March 27, 2013, at 9:00 a.m. A copy of the last-chance letter is attached to this Declaration as Exhibit B.

13. Misty Covington never appeared at time designated in the last-chance letter. The respondent's refusal to comply with the summons continues to the date of this declaration.

14. The books, papers, records, or other data sought by the summons are not already in the possession of the Internal Revenue Service.

15. All administrative steps required by the Internal Revenue Code for issuance of a summons have been taken.

16. It is necessary to obtain the testimony sought by the summons in order to collect the federal tax liability of George C. Squire, Jr. and Nancy Squire for the calendar years ended December 31, 1996, December 31, 1997, December 31, 1998, December 31, 1999, December 31, 2001, December 31, 2002 and December 31, 2003.

17. This matter has not been referred for any criminal prosecution.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 5 day of June, 2013.

  
YVONNE POULSEN  
REVENUE OFFICER



# Summons

In the matter of GEORGE C JR & NANCY SQUIRE, PO BOX 159, MIDDLETON, ID 83644-0159Internal Revenue Service (Division): SMALL BUSINESS/SELF EMPLOYEDIndustry/Area (name or number): SB/SE AREA 6 (26)Periods: See Attachment 1 to Summons Form 2039 for Period Information

## The Commissioner of Internal Revenue

To: MISTY COVINGTONAt: [REDACTED] HOLLADAY, UT 84121

You are hereby summoned and required to appear before YVONNE POULSEN, an officer of the Internal Revenue Service, to give testimony and to bring with you and to produce for examination the following books, records, papers, and other data relating to the tax liability or the collection of the tax liability or for the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws concerning the person identified above for the periods shown.

Please see Attachment 2 to Summons Form 2039 for Requested Information.

Do not write in this space

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**Business address and telephone number of IRS officer before whom you are to appear:**50 S 200 E, M/S 5112- SLC, SLC UT 84111 (801) 799-6968**Place and time for appearance at** 50 S 200 E, M/S 5112- SLC, SLC, UT 84111Department of the Treasury  
Internal Revenue Service[www.irs.gov](http://www.irs.gov)Form 2039 (Rev. 10-2010)  
Catalog Number 21405Jon the 26th day of February, 2013 at 8:30 o'clock a m.Issued under authority of the Internal Revenue Code this 7th day of February, 2013YVONNE POULSEN

Signature of Issuing Officer

REVENUE OFFICER

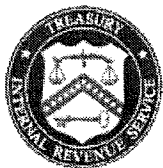
Title

GROUP MANAGER

Title

Signature of Approving Officer (if applicable)

**Original -- to be kept by IRS**



# Service of Summons, Notice and Recordkeeper Certificates

(Pursuant to section 7603, Internal Revenue Code)

I certify that I served the summons shown on the front of this form on:

Date

*Feb 11, 2013*

Time

*Noon*

**How  
Summons  
Was  
Served**

1. ☐

I certify that I handed a copy of the summons, which contained the attestation required by § 7603, to the person to whom it was directed.

2. ☒

I certify that I left a copy of the summons, which contained the attestation required by § 7603, at the last and usual place of abode of the person to whom it was directed. I left the copy with the following person (if any): *None. Left on front door*

3. ☐

I certify that I sent a copy of the summons, which contained the attestation required by § 7603, by certified or registered mail to the last known address of the person to whom it was directed, that person being a third-party recordkeeper within the meaning of § 7603(b). I sent the summons to the following address: \_\_\_\_\_

Signature

*Vronne Poulsen*

Title

*Revenue Officer (RO)*

4. This certificate is made to show compliance with IRC Section 7609. This certificate does not apply to summonses served on any officer or employee of the person to whose liability the summons relates nor to summonses in aid of collection, to determine the identity of a person having a numbered account or similar arrangement, or to determine

whether or not records of the business transactions or affairs of an identified person have been made or kept.

I certify that, within 3 days of serving the summons, I gave notice (Part D of Form 2039) to the person named below on the date and in the manner indicated.

Date of giving Notice: \_\_\_\_\_

Time: \_\_\_\_\_

Name of Noticee: \_\_\_\_\_

Address of Noticee (if mailed): \_\_\_\_\_

**How  
Notice  
Was  
Given**

☐

I gave notice by certified or registered mail to the last known address of the noticee.

☐

I gave notice by handing it to the noticee.

☐

I left the notice at the last and usual place of abode of the noticee. I left the copy with the following person (if any).

☐

In the absence of a last known address of the noticee, I left the notice with the person summonsed.

☒

No notice is required.

Signature

*Vronne Poulsen*

Title

*RO*

I certify that the period prescribed for beginning a proceeding to quash this summons has expired and that no such proceeding was instituted or that the noticee consents to the examination.

Signature

*NA*

Title

**Attachment 1 to Summons Form 2039**

In the matter of **GEORGE C JR & NANCY SQUIRE**

Period information: Form 1040 for the calendar periods ending December 31, 1996, December 31, 1997, December 31, 1998, December 31, 1999, December 31, 2001, December 31, 2002 and December 31, 2003

**ATTACHMENT 2 TO SUMMONS FORM 2039**

**IN THE MATTER OF: GEORGE C JR & NANCY SQUIRE**

**SUMMONSED PARTY: MISTY COVINGTON**

**This summons pertains to your relationship(s) between you and the following person(s) and/or entity(ies):**

**GEORGE C JR, NANCY SQUIRE, and/or IAM HOLDINGS TRUST**

You must attend the summons to provide testimony to the relationship(s) you have between you and the individual(s) and/or entity(ies) listed above.

**This summons also pertains to all the accounts listed in the name(s) of:  
GEORGE C JR, NANCY SQUIRE, and/or IAM HOLDINGS TRUST**

This summons requires the production of records from all accounts for the period of December 31, 2000 through the date of compliance with this summons.

**Records required include but are not limited to:**

**1. COPIES OF ALL TRUST INSTRUMENT(S):**

- a) Agreements
- b) Declarations of Trust
- c) Trustees
- d) Beneficiaries

**2. FINANCIAL STATEMENTS OF ACCOUNT(S):**

- a) Bank Statements
- b) Deposit Slips
- c) Canceled Checks
- d) Check Register(s)
- e) Savings Withdrawal Slips
- f) Check Carbons
- g) Certificates of Deposit
- h) Records of Certified and/or Cashiers' Checks Purchased
- i) Wire Transfers
- j) Bank Notices
- k) Stock Account Statements
- l) Stock Account Deposits and Withdrawals

**3. LAND/PROPERTY TRANSACTION(S):**

- a) Warranty Deeds
- b) Trust Deeds
- c) Settlement Statements

**4. LOAN AGREEMENTS/CONTRACT(S):**

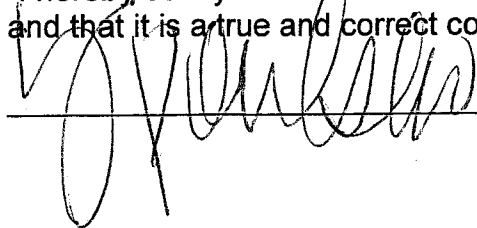
5. **COPIES OF ALL FIDUCIARY, LOCAL, STATE AND FEDERAL TAX RETURNS INCLUDING ALLSOURCE DOCUMENTS IN THE PREPARATION OF SAID RETURNS, INCLUDING THE FOLLOWING:**
  - a) Cash Receipts and Disbursements Books
  - b) Journals: Sales, Purchase, Cash
  - c) Invoices and other Original Documents
  - d) Ledgers: General and Subsidiary
  - e) Trail Balance Books, Adjusting Entries and Records of Financial Statements.
6. **INCOME AND/OR EXPENSE SUMMARIES**
7. **ALL LETTER(S), MEMORANDA(S), CORRESPONDENCE(S), AND/OR TELEPHONE MESSAGE(S)**
8. **ACCOUNTANT WORK PAPERS INCLUDING THE FOLLOWING:**
  - a) Billing Invoices
  - b) Contact Sheets
  - c) Documentation showing Method of Payment for Tax Return Preparation
9. **EMPLOYEE WAGE TAX STATEMENT(S) INCLUDING THE FOLLOWING:**
  - a) Forms 1099
  - b) Forms W-4
  - c) Forms W-2
10. **ALL BOOKKEEPING AND/OR ACCOUNTING DOCUMENTS PREPARED FOR OR ON BEHALF OF THE ABOVE NAMED. THESE DOCUMENTS INCLUDED BUT ARE NOT LIMITED TO THE FOLLOWING:**
  - a) All Income and Expense Statements
  - b) All Audit Report(s) including but not limited to Certified Audits and/or Compilations and all Supporting Schedules and Documentation

**NOTE:**

Per the requirements of section 7609 of the Internal Revenue Code, no notice is required to be provided to the taxpayer. As a result, please do not notify your customer of this summons request.

Please contact Revenue Officer, Yvonne Poulsen, at (801)799-6858 or (801)707-6273, if your cost will be over \$250.00.

"I hereby certify that I have examined and compared this copy of the summons with the original and that it is a true and correct copy of the original."



\_\_\_\_\_, Revenue Officer





OFFICE OF THE CHIEF COUNSEL

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
OFFICE OF DIVISION COUNSEL  
SMALL BUSINESS/SELF-EMPLOYED  
150 SOCIAL HALL AVENUE  
SUITE 313A  
SALT LAKE CITY, UTAH 84111  
(801) 799-6630  
FAX: (801) 258-8817

MAR 12 2013

CC:SB:5:SLC:CAAshford  
GL-110867-13

Via Overnight Mail

Misty Covington  
[REDACTED]

Holladay, UT 84121

RE: Administrative Summons for testimony on relationship with George C. Jr. and Nancy Squire and IAM Holdings Trust and for the production of records pertaining to IAM Holdings Trust

Dear Ms. Covington:

The Area Director of Internal Revenue has notified our office that you did not comply with the provisions of the summons served on you on February 11, 2013. Under the terms of the summons, you were required to appear before Revenue Officer Yvonne Poulsen on February 21, 2013.

Legal proceedings may be brought against you in the United States District Court for not complying with this summons. To avoid such proceedings, you are to appear before Revenue Officer:

Name: Yvonne Poulsen  
Date: March 27, 2013  
Time: 9:00 a.m.  
Address: 50 South 200 East  
Salt Lake City, UT 84111-1617

GL-110867-13

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Any books, records or other documents called for in the summons should be produced at that time. If you have any questions, please contact Revenue Officer Yvonne Poulsen at (801) 799-6968.

Sincerely,

CHARLES B. BURNETT  
Associate Area Counsel  
(Small Business/Self-Employed)

By: 

Craig A. Ashford  
Attorney (Salt Lake City)  
(Small Business/Self-Employed)  
T.C. Bar No. AC0270